

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE.

NO DRILL OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 14th day of August, 2008, between Metroplex Multifoods, Inc., Lessor (whether one or more), whose address is 101 East Cherokee Street, Jacksonville, Texas 75766, and Dale Property Services, 3000 Alta Mesa Blvd., Suite 300, Fort Worth, Texas 76133, Lessee, WITNESSETH:

1. Lessor in consideration of Ten and No/100-----Dollars (\$10.00), \$20,000.00 per mineral acre owned by Lessor (in hand paid), of the royalties herein provided, and of the agreements of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee, subject to the restrictions herein, for the purpose of investigating, exploring, prospecting, drilling and mining for and producing oil, gas and all other minerals, conducting exploration, geologic and geophysical surveys by core test, gravity and magnetic methods, injecting gas, water and other fluids, and air into subsurface strata to produce, save, take care of, treat, transport and own said products, the following described land in **Tarrant County, Texas**, to-wit:

See Exhibit "A".

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or surveys or in adjacent surveys, although not included within the boundaries of the land particularly described above.

2. This is a paid up lease and subject to the other provisions herein contained, this lease shall be for a term of **three (3) years** from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land with which said land is pooled hereunder.

3. As royalty, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipelines to which lessee may connect its wells, the equal one-fourth (1/4) part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessor the average posted market price of such one-fourth (1/4) part of such oil at the wells as of the day it is run to the pipe line or storage tanks; (b) to pay lessor for gas and casinghead gas produced from said land (1) when sold by lessee, one-fourth (1/4) of the amount realized by lessee, computed at the mouth of the well, or (2) when used by lessee off said land or in the manufacture of gasoline or other products, one-fourth (1/4) of the amount realized from the sale of gasoline or other products extracted therefrom and one-fourth (1/4) of the amount realized from the sale of residue gas; (c) To pay lessor on all other minerals mined and marketed or utilized by lessee from said land, one-fourth either in kind or value at the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check, as royalty, a sum equal to Fifty dollars (\$50.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and such payment must be mailed to 101 E. Cherokee, Jacksonville, Texas, which shall continue as the method of payment, regardless of changes in the ownership of shut-in royalty. If at any time that lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payment hereunder may be made by check and deposited in the

mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owners of this lease, severally as to acreage owned by each.

4. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. Units for production shall not exceed forty (40) surface acres each for oil at or above 8,500 feet and eighty (80) surface acres each for oil below 8,500 feet. Units for production shall not exceed one hundred sixty (160) surface acres each for gas at or above 8,500 feet; and three hundred twenty (320) surface acres each for gas below 8,500 feet; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms 'oil well' and 'gas well' shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, 'oil well' means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and 'gas well' means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on a 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term 'horizontal completion' means an oil well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

5. If at the expiration of the primary term, oil, gas, or other mineral is not being produced on said land, or from the land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 60 days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. If, after the expiration of the primary term of this lease and after oil, gas, or other mineral is produced from said land, or from land pooled therewith, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences operations for drilling or reworking within 60 days after the cessation of such production, but shall remain in force and effect so long as such operations are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from said land, or from land pooled therewith. Any pooled unit designated by Lessee in accordance with the terms hereof, may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the leased premises are situated at any time after the completion of a dry hole or the cessation of production on said unit. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 1,000 feet of and draining the leased premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances. Lessee may at any time execute and deliver to Lessor or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

6. No well, gas, oil, or otherwise, shall be drilled within one thousand (1,000) feet of Lessor's property described in Section 1 herein.

7. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

8. The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. No obligation reasonably to develop the leased premises shall arise during the primary term. Should oil, gas or other mineral in paying quantities be discovered on said premises, then after the expiration of the primary term, Lessee shall develop the acreage retained hereunder as a reasonably prudent operator, but in discharging this obligation it shall in no event be required to drill more than one well per twenty (20) acres of the area retained hereunder and capable of producing oil in paying quantities and one well per 3200 acres plus an acreage tolerance not to exceed 10% of 120 acres of the area retained hereunder and capable of producing gas or other mineral in paying quantities. If after the expiration of the primary term, Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty days after receipt of such notice in which to comply with the obligations imposed by virtue of this instrument.

9. This lease is made without warranty of title, express, implied or statutory. Lessor agrees that Lessee, at Lessee's options, may discharge any tax, mortgage or other lien or liens upon any interest or interests leased hereby, and in the event Lessee does so, Lessee shall be subrogated to such lien with the right to enforce same and apply royalties, shut-in gas well royalties and other payments accruing hereunder to the interest or interests against which any such lien applies, toward satisfying same. It is agreed that if this lease covers a less interest in the oil and gas in all or any part of the leased premises than the entire undivided fee simple estate, then the royalties, delay rental, shut-in royalties and other monies accruing from any part as to which this lease covers less than such full interest shall be paid only in the proportion which the interest therein covered by this lease bears to the whole and undivided fee simple estate therein.

10. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing any oil, gas or other minerals therefrom by reason of inability to use equipment or material, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, then Lessee shall provide written notice of such claim to Lessor providing reasonably full particulars thereof to apprise Lessor of the basis of such claim, and Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the lease premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. In no event will the payment of sums owed be excused.

11. Lessee, its successors and assigns, agrees to indemnify, defend and hold harmless Lessor from any and all claims, costs, damages, demands, actions, causes of action, fines, judgments, or liabilities of any nature, kind, or character, including reasonable attorney's fees and expenses for defending such claims and demands, arising out of, connected with, concerning or relating in any way, regardless of the cause, to (i) any defect, imperfection, operation, maintenance, or construction of wells, pipeline, road, or other structures or equipment drilled, constructed, or placed on the leased premises by Lessee hereunder and (ii) any act or omission of Lessee and Lessee's agents, employees, and contractors. If any action or proceeding is brought against Lessor by reason of claims, costs, damages, or liabilities described in this paragraph, Lessee shall defend at Lessee's sole cost the action or proceeding by counsel acceptable to Lessor. Lessor further agrees that if any act or omission of Lessee, Lessee's agents, employees, or contractors damages Lessor's premises, improvements, or causes Lessor to lose sales transactions, Lessee agrees to remit payment for such damages to Lessor. This provision and its indemnities shall survive the termination of this Lease, and shall endure to the successors, heirs, and assigns of Lessor and Lessee.

12. It is provided however, that notwithstanding any other provision in this Lease to the contrary, Lessor hereby expressly reserves, and Lessee, by this document, acknowledges Lessor's reservation of and Lessee's waiver of the right to use the surface of the land hereby leased for any purpose, including but not limited to, the exploration, development, drilling, storage or transportation of oil, gas and other minerals and Lessee hereby waives any and all surface rights to the subject land and Lessee shall have no right to the use of all or any part of the surface of the subject land. Lessee agrees not to in anyway interfere with the development, platting, subdivision, enjoyment, use or marketing of the subject land. However, Lessee shall be entitled to explore for, drill and produce and save oil, gas and other minerals from the subject land so long as Lessee does not use any part of the surface for such purposes or interfere in any way with any aspect of Lessor's use of the subject land.

13. Lessee, its successors and assigns, by its acceptance of this lease, hereby agrees to comply with all applicable laws, rules, and regulations and agrees to indemnify, defend and hold harmless, Lessor and Lessor's heirs, successors, and assigns from and against any and all loss, liability, claim, fine, expense cost (including attorneys fees and expenses) and cause of action cause by or arising out of the violation (or defense of the alleged violation) of any federal, state, or local laws, rules, or regulations applicable to any waste material, drilling matter fluid or any hazardous substances released or caused to be released by Lessee or Lessee's agents, or independent contractors form the land leased hereunder into the atmosphere or into or upon the land or any water course or body of water, including without limitation, ground water. Additionally, upon receiving any notice regarding any environmental, pollution or contamination problem or violation of any law, rule or regulation, Lessee will forward a copy of such notice to Lessor by certified mail within thirty (30) days, or failing which, Lessor shall have the option to terminate this Lease upon thirty (30) days written notice to Lessee. This provision and its indemnities shall survive the termination of this Lease, and shall endure to the successors, heirs, and assigns of Lessor and Lessee.

14. This Lease shall be governed by and interpreted and construed under the laws of the State of Texas; provided that this Lease shall not be construed against the party whose attorney drafted it. Any suit brought by any party to enforce any provision of this Lease shall be filed and maintained in Cherokee County, Texas.

15. Lessee shall carry or cause to be carried the following insurance:

1. Comprehensive General Liability Insurance, including contractual liability, with a combined single limit per occurrence of not less than \$1,000,000.00 for bodily injury and property damage with \$2,000,000.00 aggregate limit applicable to all loss of or damage to property;
2. Comprehensive Automobile Insurance, including hired and non-owned vehicles, with a combined single limit per occurrence of not less than \$1,000,000.00 for bodily injury and property damage with \$2,000,000.00 aggregate limit applicable to all loss of or damage to property;
3. Liability Umbrella (excess of underlying insurance coverage mentioned above) with a combined limited per occurrence coverage of not less than \$10,000,000.00; and
4. Well Control Insurance including underground blowout, seepage and pollution, with a minimum limit of \$10,000,000.00.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

METROPLEX MULTIFOODS, INC.



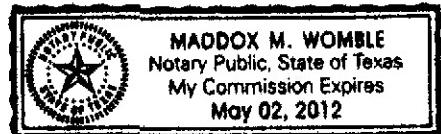
By: Larry K. Durrett
Title: President

ACKNOWLEDGMENTS

STATE OF TEXAS

§
§
§

COUNTY OF



Maddox Womble

Notary Public, State of Texas

Notary's name (printed):

Notary's commission expires:

Exhibit "A"

THIS LEASE AGREEMENT is made this 14th day of August, 2008, by and between Metroplex Multifoods, INC., as Lessor (whether one or more), and DALE PROPERTY SERVICES, L.L.C., 2100 Ross Avenue, Suite 1870 Dallas Texas 75201, as Lessee.

0.66 acres, being Lot(s) W, Block 300 of the ~~Wedgwood Addition~~, an addition to the City of Fort Worth, Texas, more particularly described by metes and bounds in that certain Plat recorded in Volume 388-113, Page 16 of the Plat Records. Tarrant County, Texas.

Said Lands are hereby deemed to contain 0.66 acres, more or less.



DALE RESOURCES LLC
2100 ROSS AVE STE 1870 LB-9

DALLAS TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON
TARRANT COUNTY CLERK
TARRANT COUNTY COURTHOUSE
100 WEST WEATHERFORD
FORT WORTH, TX 76196-0401

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 09/03/2008 08:37 AM

Instrument #: D208341948

LSE 7 PGS \$36.00

By: 



D208341948

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Printed by: MV